

# Community Planning and Economic Development 2014 Budget Hearing

Department found on pages E109– E120 in budget book

Presentation to Ways and Means/Budget Committee  
September 26, 2013

# CPED Program Budget Overview

## 2014 CPED MAYOR'S RECOMMENDED BUDGET

Division	Program #	Program Description	FTEs	General Fund	Other Funds	Total 2014 Mayor's Recommended Budget
<b><u>Long Range Planning</u></b>						
	Program 1	Long Range Planning	13.70	1,728,189	1,386,929	3,115,118
<b><u>Housing Development &amp; Policy</u></b>						
	Program 2	Affordable Housing Development	15.75	1,556,161	8,983,361	10,539,522
	Program 3	Homeownership Support and Development	14.65	1,265,702	4,711,864	5,977,566
<b><u>Economic Development &amp; Policy</u></b>						
	Program 4	Business Development	20.20	5,064,679	3,880,750	8,945,429
	Program 5	Business Licensing	30.50	3,781,436	372,733	4,154,169
	Program 6	Adult Workforce Development	8.90	636,581	3,586,640	4,223,221
	Program 7	Youth Training and Development	6.80	647,218	2,562,352	3,209,570
<b><u>Development Services</u></b>						
	Program 8	Land Use, Design and Preservation	24.60	2,580,100	935,969	3,516,069
	Program 9	Development Services - Customer Service Center	20.35	2,481,314	379,218	2,860,532
	Program 10	Construction Code Services	70.20	9,596,362	1,419,702	11,016,064
<b><u>CPED-wide</u></b>						
	Program 11	Pre-Development Activities	4.35	823,700	55,441	879,141
	Program 12	Debt Service			16,838,405	16,838,405
<b>TOTAL*</b>			<b>230.00</b>	<b>30,161,442</b>	<b>45,113,364</b>	<b>75,274,806</b>
	Program 12	Transfers	-		19,562,608	19,562,608
<b>TOTAL CPED BUDGET</b>			<b>230.00</b>	<b>30,161,442</b>	<b>64,675,972</b>	<b>94,837,414</b>

\* Excludes Transfer amounts

# Impacts of Recommended Budget

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- General Fund support to stabilize CPED budget
  - \$3,776,000 additional GF for core operating budget to align with overall GF support for CPED budget
  
- General Fund support to guide growing economy
  - \$700,000 additional GF for new FTEs responsible for managing development, construction, and business review
  
- General Fund support to fill specific challenges
  - Midtown Global Market
  - STEP UP youth summer jobs

# CPED 2014 Program Budgets

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## **Long Range Planning (\$2,910,483) (13.7 FTEs)**

- Comprehensive planning to align urban design with economic development (business and housing) to grow a sustainable city
  - Manage and implement the Minneapolis Comprehensive Plan
  - Develop area and district plans: Above the Falls, Southwest LRT, Penn Avenue North, Downtown East, Streetcar
  - Manage CPED Sector Teams and Strategy
- Research to inform and guide urban design, economic development, and civic technology
- Advance qualitative urbanism to improve public realm
- Manage maintenance and expansion of public art
- Recent innovations: Sector Teams and Creative City Making

# CPED 2014 Program Budgets

## **Affordable Housing Development (\$10,539,522) (15.75 FTEs)**

Provide needed financing for the development of safe, affordable, sustainable housing with projects that create jobs

- Dedicated resources through Affordable Housing Trust Fund since 2002 invested \$73 million to sustain and build 6,878 units
  - Leveraged \$777 million (10:1 ratio)
- 2014 Recommended budget maintains current level of funds for Affordable Housing Development
  - \$6,962,000 allocated to the Trust Fund
- Accelerate the development of housing options for seniors
  - Strategy development underway, limited funds for new housing
- Equity goals applied to all CPED-funded projects
  - Hiring
  - Contracting

# CPED 2014 Program Budgets

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## **Home Ownership Support (\$5,977,566) (14.65 FTEs)**

- Prevent home foreclosures, reinvest in residential properties, and reposition challenged residential areas.
  - Green Homes North
  - Minneapolis Advantage
  - Home Ownership Works
  - Senior Housing Stabilization
  - Vacant and Boarded Residential Properties Mgmt.
  - Owner Occupied Home Rehabilitation
- Equity goals applied to all CPED-funded projects
  - Hiring
  - Contracting
  - Property management

# CPED 2014 Program Budgets

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## **Business Development (\$8,983,361) (20.2 FTEs)**

- Help businesses start, stay, and grow to create jobs, grow the tax base, and revitalize challenged areas
  - Provide and facilitate business and commercial real estate loans
  - Sale of City-owned commercial property
  - Business outreach, networking, site selection, and consultation
  - Facilitate redevelopment grants from other government entities
- Accelerate commercial redevelopment
  - Upper Harbor Terminal
  - Bassett Creek Valley
  - Penn and W. Broadway
  - Downtown East
  - Green, Tech, Food, Manufacturing sectors and exports

# CPED 2014 Program Budgets

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## **Business Development continued...**

- New Initiatives and Innovations
  - Grow North
  - Integration of unified Business Development Team
- Significant Leverage of non-City funds
  - \$3.5 million Great Streets leveraged \$54 million
  - \$10.8 million real estate redevelopment leveraged \$53 million
- Results: Job Growth
  - 6,873 construction jobs
  - 2,234 private sector jobs
- New in 2014: \$185,000 additional GF for Midtown Global Market

# CPED 2014 Program Budgets

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## **Business Licensing Services (\$4,154,169) (30.5 FTEs)**

- Help businesses navigate and comply with business licensing and other public processes by enforcing community standards
  - 11,000 licensed each year
- Guide the constant improvement and reform of the regulatory climate affecting businesses operating in the City
  - Food trucks
  - Pedicabs
  - Flea Markets
- Materials and videos in multiple languages and
- Mayor's Recommended Budget includes one new FTE to better manage staff workload, community engagement, and reform

# CPED 2014 Program Budgets

## **Adult Workforce Development (\$4,223,221) (8.9 FTEs)**

- Partner with community-based agencies to provide residents with quality jobs and job training to help employers meet current and future labor needs
  - Dislocated workers with job experience
  - Low income and long-term unemployed workers
  - Platform to Employment: unemployed older residents and vets
- Directly address employment inequity
- RENEW Minneapolis provides job-skills training and job placement to prepare low-income residents for careers in renewable energy, manufacturing, and construction
  - Recognized by state and nationally as model program
- Manufacturing Action Alliance will attract more students to and help more students complete manufacturing training programs
- City funds stable, but overall funding declining 15%

# CPED 2014 Program Budgets

## **Youth Training and Employment (\$3,209,570) (6.8 FTEs)**

- Give youth, especially from minority and low-income communities the tools to find jobs and prepare for their careers
  - STEP UP
  - Year-round Program
- Directly address employment inequity
- Recognized nationally as a model
- \$75,000 additional GF for STEP UP to mitigate \$200,000 reduced federal funds
- City funds stable, but overall funding declining 9%
- Innovations
  - Online applications increase applications by 1/3
  - Specialized training engages key sectors
  - Urban Scholar partnership

# CPED 2014 Program Budgets

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## **Land Use, Design, and Preservation (\$3,516,069) (24.6 FTEs)**

Guide commercial, residential and public realm development as required by law by helping residents and property owners navigate and comply with public processes and community standards

- Manage and review land use, zoning, preservation, and environmental review applications
- Administer Planning Commission, Heritage Preservation Commission, and Zoning Board of Adjustment
- Guide the constant improvement and reform of the regulatory climate affecting land use development
- Addition of 1 new City Planner FTE to review land use applications
- Paperless board and commissions innovation

# CPED 2014 Program Budgets

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## **Customer Service Center (\$2,860,532) (20.35 FTEs)**

Provide consolidated development and construction services to help business grow, create jobs, and grow the tax base

- 40,000 construction permits serviced annually (85% in <2 days)
- Commitment to constant improvement to continually streamline services and processes
  - Concurrent review
  - Development coordinators
- Develop new processes for evolving development environment
  - SAC
  - Park Dedication Fee
- Commitment to Equity
  - Trainings at Summit Academy
  - Spanish speaking staff and staff language classes

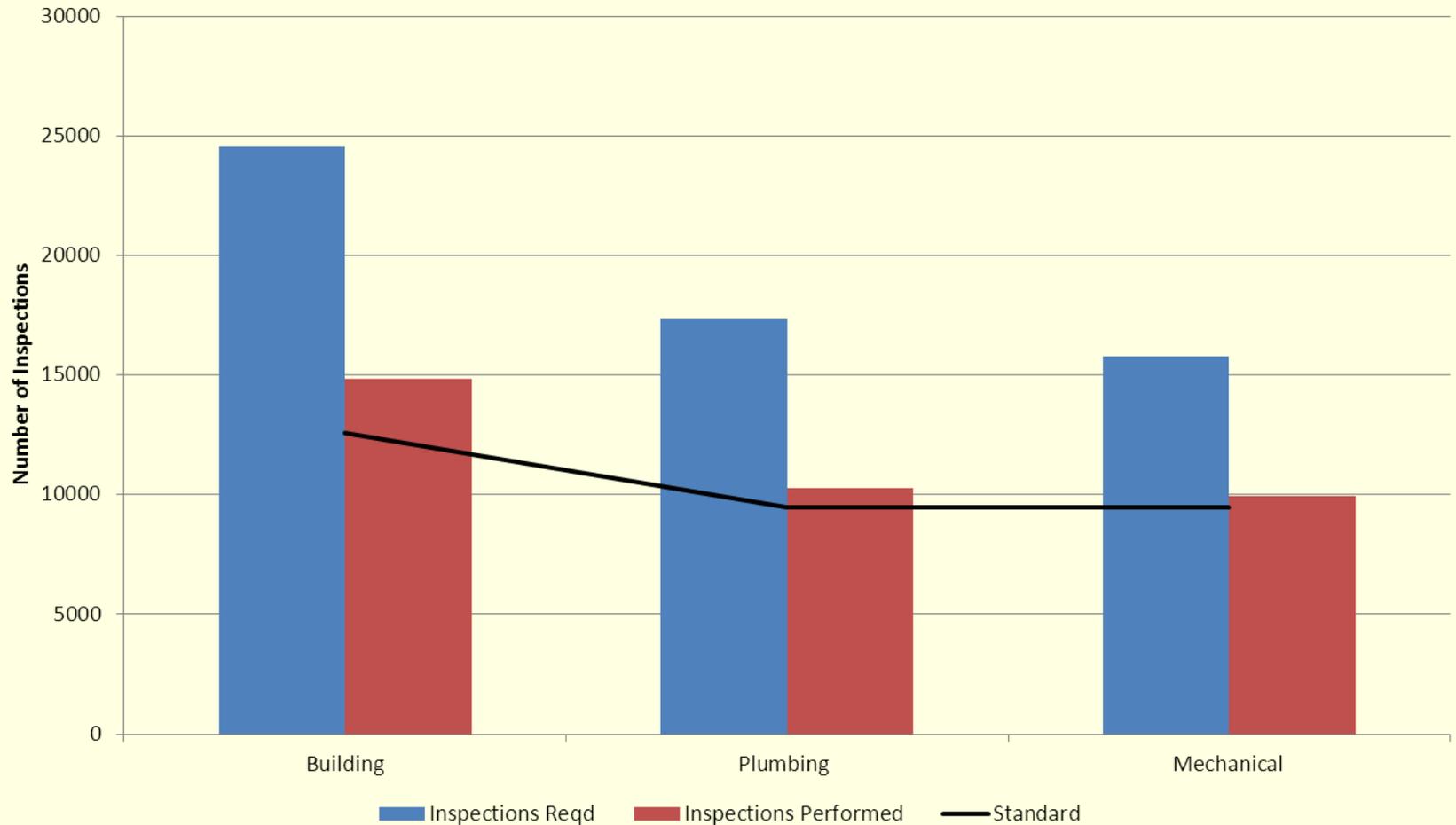
# CPED 2014 Program Budgets

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## **Construction Code Services (\$11,016,064) (70.20 FTEs)**

- Help residents and property owners navigate and comply with building code regulations
  - Construction plan review
  - Building inspections
  - Truth in housing and code compliance
- Increased commercial and residential construction exceeding our ability to conduct inspections, creating a backlog
  - \$500,000 additional GF for new FTEs for plan review and inspections FTEs
- Focus on innovation and efficiency
  - Mobile inspections and expand electronic plan review
  - New downtown inspections district and geo scheduling
  - New multi-disciplinary final inspections model

# Building Inspections Required vs. Inspections Performed Jan.-June 2013



# CPED's Commitment to Equity

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- Co-Sponsor of City's Equity Toolkit under development
- Equity Action plans underway in all CPED business lines, in advance of Equity Toolkit
- Created internal Diversity and Equity Task Force with representation from across CPED
- "Unlearning Racism" training for CPED leadership
- Tracking large and small procurement of goods and services
- Focus on increasing staff diversity through hiring
- Tripled number of STEP UP interns hosted

# Capital Request: Operating and CLIC

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- CPED CARs request: \$176,000
  - Office furniture
  - Citizen Engagement and Ideation
  - Land Management
- Art in Public Places: \$480,000
- Development Infrastructure Program: \$1.4M

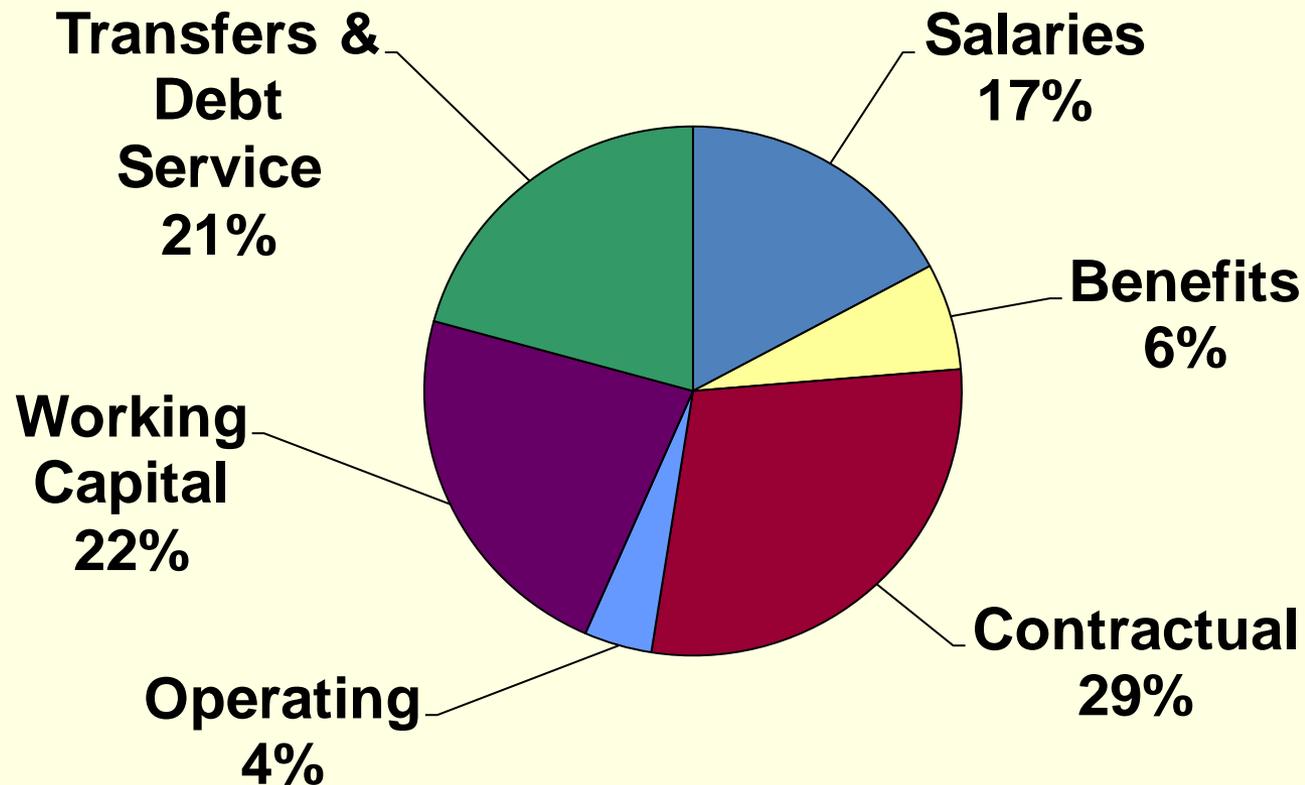
# CPED 2014 Recommended Budget

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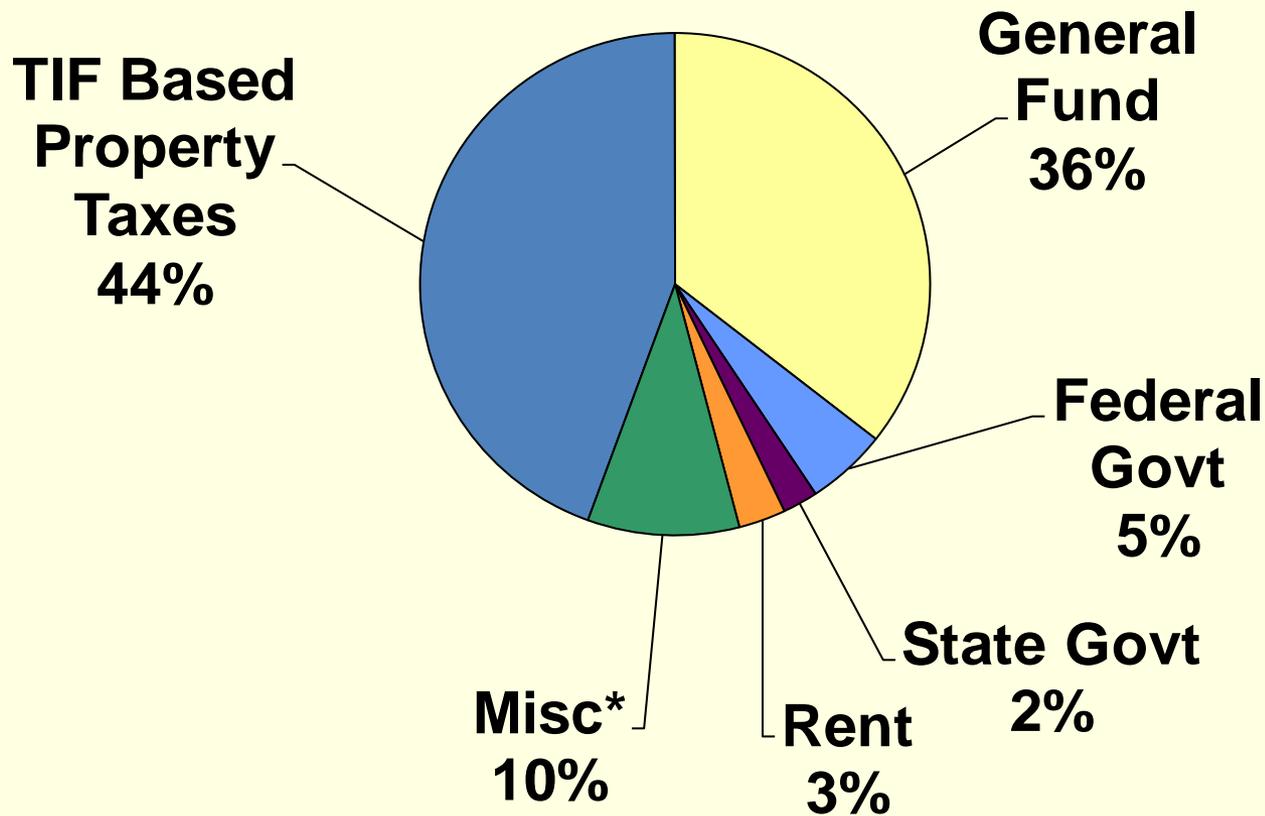
## Appendix

[Community Planning and Economic Development]

# Expenditures by Type (\$94.8 million)



[Community Planning and Economic Development]  
**Revenue by Type (\$93.8 million)**



\* Miscellaneous includes: Fines & Forfeits, License & Permits, Special Assessments, and Transfers In